FOR MYSORE STATE

REVENUE 1950 (195) Department.

Ms. SERIES.

G.O. NO. 777

Dated 15.3.1950

[Despatch Abstract.]

G.M.F. - Well Subsidy Schemes - Security - Acceptance of National Savings Certificates - Instruction - Issued.

Copy to Mysore Govt.

ABSTRACT.

Grow More Food - New Well Subsidy Scheme 49-50 - Security - Acceptance of National Savings Certificate - Orders passed.

Revenue Department.

G.O.Ms.No.777. Dated the 15th March 1950.

ORDER:-

The Government have examined the question whether National Savings Certificates may be accepted as security from applicants for loans granted under the New Well Subsidy Scheme. They consider that National Savings Certificates can be accepted as security for the grant of loans under the New Well Subsidy Scheme without any limit as to the amount, subject however to the conditions laid down in Article 279 (4) of Madras Financial Code, Volume I.

(By Order of His Excellency the Governor)

V.K.Rao.
Deputy Secretary to Government.

To

The Board of Revenue (F.P.)
Copy to Collectors of all districts except Madras
Copy to Finance Department (Ex.A)
Copy to the Accountant General through Finance Department.
Copy to Sri.N.S. Varadachari, M.A.B.L. M.L.A., with reference to his letter dated 2.2.50.

/True copy/

Superintendent.

nr.9/6

Revenue Department.

Grow More Food - Well Subsidy Scheme - Chittoor district - Chandragiri taluk - Kundrapakkam village - Offering of cash security in addition to the immovable property.

From Sr. N.S.Varadachari,M.A., B.L., M.L.A.] letter dated 2.2.1950.

**

To A.S.

Please see the letter from Sri N.S.Varadachari, M.L.A., on p.1 c.f.

2. Political sufferers to whom lands have been assigned may offer such lands as security for the grant of well subsidy loans under the orders contained in Memo. No.71599 E/49-1, dated 4-5-1949. Well subsidies are initially offered as loans under the Land Improvement Loans Act. Rule XI (a) of the Loans Manual describes the nature of the security to be offered under the Land Improvement Loans Act. According to this rule, the value of the security offered should exceed the value of the loan by at least a third of the loan applied for. The land in which the improvement has to be effected has first to be offered as security. If this value falls short of the total security required, collateral security may be furnished in all or any of the following forms:-

1. of other lands belonging to the applicant, or
2. of lands belonging to other persons who are willing to become his sureties or
3. of personal security when the amount covered by such security does not exceed either Rs.250 or 25% of tthe loan.

Sri N.S.Varadachari wishes to know whether he can offer cash security in the form of National Savings Certificates in addition to the lands assigned to him. In view of the fact that personal security subject to a maximum of Rs.250 or 25% of the loan is allowed under the rules

there seems to be no objection to permit Sri Varadachari to offer cash security in the shape of National Savings Certificates up to the amount in getting subsidy loans to sink wells. For orders whether Sr Varddachari may be informed accordingly. Subject to orders a draft letter is submitted for approval. Finance may see before issue.

The National Savings Certificates are as good securi as personal security and can be taken to the extent admissible in view of it. Fin. may see.

I see no objection to National savings Certificates being accepted as security, if the certificates are handed over to the Collector (or other appropriate authority) and an intimation is sent by the holder of the certificates to the post officer where they are registered to the effect that the certificates have been given to the Collect as security for a loan. I consider that security in this shape can be accepted without any limit as to the amount.

Finance (Exp.A) Dept.

Notes from page 1 above may be read. Finance may agree to the acceptance without limit of National Savings Certificates as securities for the purpose of granting well subsidy, loans subject to the conditions laid down in Art.279(4) of M.F.C., Vol.I.

Rev.U.O.6606E/
10-1-50

/True extract/

95 96 EA—P
14/2/50

Superintendent.

nr.9/6

Compared
1. U. Ramadoss
2. [illegible]